SECRET SECURITY INFORMATION

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30 January 1953

MEMORANDUM FOR THE RECORD

ATTENTION:

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SUBJECT:

CC-2 Interrogation Resume First Sitting, 28 January MICROFILMED
MAI 497903
DOC. MICRO. BER.

1. In this statement only the salient aspects of our first session will be noted. The details of this meeting, which was held in the USFA CID lie-detector room and which lasted for 1 3/4 hours, can be obtained from a transcript of the wire recording.

2. CC-2 was visibly nervous when he was introduced to C and tried to beg off conversing in English, but after being assured that his linguistic qualification was perfectly adequate, he was persuaded to do so. His command of the language is adequate but by no means fluent; petwithstanding this factor, it is felt that complete understanding was reached by both newties on all important issues. As had been planned I explained the provisions of our termination form at the outset, [to the source, and CC-2 readily signed the statement. It was then pointed out to him that we wished to put his Headquarters file in order before he agreement his relationship with the United States Government and to this end I had a number of questions to ask about his relations with Willi Hoettl. For the next hour and a half, CC-2 answered in what appeared to be a sincere and straightforward manner numerous queries put to him on this subject, and what is more important, he voluntarily disclosed many hitherto unknown aspects of his relationships with Hoettl. The most sigmificant disclosures were:

- a. that since December 1951 he had been receiving 600 schillings a month from Hoettl for submitting a monthly Austrian political summary;
 - b. that last year Hoettl had introduced him to Harry Mast;
- c. that Hoettl had frequently (five or six times) tried to get him to admit that he was employed by the American intelligence service:

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d. that Hoettl knew Grossbahn worked for the American intelligence service and had on four or five occasions tried to elicit information from him regarding Grossbahn's financial status and attitude toward his work.

at # 2 to EASA - 770

2 Feb. 1953

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3. In regard to item c in the preceding paragraph, CC-2 stated that he never admitted to Hostil that he was in touch with the inerican intelligence service but he felt that Hostil had deduced this by his efforts to evade answering these questions. With respect to item d above, CC-2 mentioned that he was convinced in his own mind that Rudy Mandl or Karl Auner had revealed Grossbahn's affiliation with the American intelligence service to Hostil and that he never acknowledged his association with Grossbahn to Hostil. He allowed that Hostil could have deduced that this relationship existed.

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- h. CC-2 confessed that he had elected to sever his relationship with the Americans because he: (a) found clandestine work distasteful; especially when it was necessary to lie to his friends about his actual occupation and his true means of support; (b) felt that the Americans had no further need for his specialty, political reporting; (c) considered himself to be unqualified to edit military reports in English; (d) had a burning desire to be engaged in overt journalism, where his ideas could be put across to the masses on a continuous basis.
- 5. At our second sitting on the afternoon of 29 January, CC-2 will be asked to elaborate on these points and undeveloped leads:
 - a. Details of his monthly political situation report for Hoettl, including origin of the relationship, content, source of raw material, ultimate recipient, maximum payment received, plus a detailed explanation on why he did not divulge this aspect of his relationship with Hoettl to Grossbahn.
 - b. Relationship with Harry Mast.
 - c. Acquaintance with Karl Hass.
 - d. Relations with Theodore Albert.
 - e. Disclosure of information on his carriage test to unauthorised individuals.
 - f. Why he did not report to Grossbahn on the intensity of Hoettl's interest in his contact with American intelligence and also on Hoettl's persistent interest in Grossbahn.
 - g. His relations with Taras Boredajkewycz.
 - h. A rundown on the degree of discretion he employed in dealing with his intelligence contacts and social acquaintances.
 - i. Determine if he has ever been threatened with blackmail for his illegal currency or other dealings.

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6: We will also get CC-2's forwarding address in Germany and will consider the possibility of getting him a "peak of tension" carriage test in Germany at some future date if an examination of this type is deemed necessary to clarify unsettled points.

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